

Third bidder joins race for Satyam

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Potential bidders had until late Friday to show they had at least 15 billion rupees (300 million dollars) to back up their interest in the [software services](#) export giant whose finances were left in shambles by its founder.

Indian engineering giant Larsen & Toubro said it had shown proof of sufficient resources to pursue its bid after tycoon B.K. Modi's Spice Group and telecom software firm Tech Mahindra Ltd (TML) made similar statements.

Larsen & Toubro has already built up a 12 percent stake in [Satyam](#) and is seen as a front-runner for a 51 percent stake.

Satyam is battling to pay wages since founder B. Ramalinga Raju declared in January he inflated the balance sheet by more than a billion dollars and exaggerated profits.

A Satyam spokeswoman would not comment on whether there were more bidders in addition to the three firms to have announced their interest.

Media reports said international information technology heavyweights such as IBM may have registered their interest through third-party law firms or private equity ventures but this could not be immediately confirmed.

The government-appointed board, which has said it hopes to wrap up the sale within the next couple of months, met Saturday to scrutinise the bids.

"The process of short-listing will continue beyond Saturday but that will be pretty much done by investment bankers and they will continue to look to finish as soon as possible," a Satyam spokeswoman told AFP.

A shortlist was expected to be completed by March 25. Those accepted would be given "access to certain business, financial and legal diligence materials," the company said.

The bidding will be unusual in that Satyam cannot provide many figures needed for bidders to conduct normal due diligence on the accounts as they are still with auditors.

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